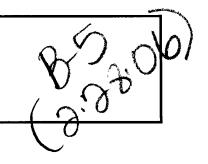
COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS AGENDA ITEM TRANSMITTAL

(1) DEPARTMENT Administrative Office	(2) MEETING DATE February 28, 2006	(3) CONTACT/PHONE Dan Buckshi, (805) 781-5011		
(4) SUBJECT Submittal of a notice to commence negotiations for the exchange of property tax revenue and annual tax increment for Annexation No. 14 to the City of Pismo Beach (Los Robles del Mar).				
(5) SUMMARY OF REQUEST This request relates to the annexation of approximately 182 acres of property currently zoned Rural Lands to the City of Pismo Beach. The purpose of the annexation is to obtain City services in order to facilitate the development of the property into high and low density residential, with open space and a private school. Jurisdictional changes such as this can change service area responsibilities and/or impact operating expenses and revenues. The law requires affected jurisdictions (in the case, the County and the City of Pismo Beach) to negotiate an exchange of property tax revenue prior to the Local Agency Formation Commission's approval of the proposed change. A 60-day negotiation period will commence on upon approval of this notice. The notice contains information concerning the amount of revenue generated in the annexation area.				
(6) RECOMMENDED ACTION Approve commencement of negotiations for the exchange of property tax revenue for Annexation No. 14 to the City of Pismo Beach (Los Robles Del Mar).				
(7) FUNDING SOURCE(S) N/A	(8) CURRENT YEAR COST N/A	(9) ANNUAL COST N/A	(10) BUDGETED? □ YES JK N/A □ NO	
(11) OTHER AGENCY/ADVISORY GROUP INVOLVEMENT (LIST): The Local Agency Formation Commission has the authority to oversee annexation of property. The City of Pismo Beach will participate in the tax exchange negotiations. The Auditor's Office provided the financial analysis.				
(12) WILL REQUEST REQUIRE ADDITIONAL STAFF? No				
(13) SUPERVISOR DISTRICT(S) 1st, 2nd (3rd, 4th, 5th, All		(14) LOCATION MAP XAttached		
(15) AGENDA PLACEMENT Consent		(16) EXECUTED DOCUMENTS ☐ Resolutions (Orig + 4 copies) ☐ Ordinances (Orig + 4 copies) ☐ Contracts (Orig + 4 copies) ☐ XN/A		
(17) NEED EXTRA EXECUTED COPIES? □ Number: □ Attached N/A (18) APPROPRIATION TRANSFER REQUIRED? □ Submitted □ 4/5th's Vote Required N/A				

(19) ADMINISTRATIVE OFFICE REVIEW OK -Jw-Grant



County of San Luis Obispo

COUNTY GOVERNMENT CENTER, RM. 370 • SAN LUIS OBISPO, CALIFORNIA 93408 • (805) 781-5011



DAVID EDGECOUNTY ADMINISTRATOR

TO:

BOARD OF SUPERVISORS

FROM:

DAN BUCKSHI, ADMINISTRATIVE ANALYST

DATE:

FEBRUARY 28, 2006

SUBJECT:

SUBMITTAL OF A NOTICE TO COMMENCE NEGOTIATIONS FOR THE EXCHANGE OF PROPERTY TAX REVENUE AND ANNUAL TAX INCREMENT FOR ANNEXATION NO. 14 TO THE CITY OF PISMO BEACH

(LOS ROBLES DEL MAR)

Recommendation

Approve commencement of negotiations for the exchange of property tax revenue for Annexation No. 14 to the City of Pismo Beach (Los Robles Del Mar).

Discussion

This request relates to the annexation of approximately 182 acres of property currently zoned Rural Lands to the City of Pismo Beach. The property, currently undeveloped, is located along the eastern part of Oak Park Boulevard, east of the City of Arroyo Grande, north and northwest of unincorporated County lands, south of the City of Pismo Beach, adjacent to the Sea Country Estates. The purpose of the annexation is to obtain City services in order to facilitate the development of the property into high and low density residential, with open space and a private school. Jurisdictional changes such as this can change service area responsibilities and/or impact operating expenses and revenues. The law requires affected jurisdictions (in the case, the County and the City of Pismo Beach) to negotiate an exchange of property tax revenue prior to the Local Agency Formation Commission's approval of the proposed change. A 60-day negotiation period will commence on upon approval of this notice. The notice contains information concerning the amount of revenue generated in the annexation area. The County Administrative Office and the City of City of Pismo Beach will negotiate on behalf of their respective agencies and present a resolution for adoption within the 60-day time frame.

Other Agency Involvement/Impact

The Local Agency Formation Commission has the authority to oversee annexation of property. The property is proposed to be annexed into the City of Pismo Beach, therefore, as one of the affected agencies, the City of Pismo Beach will participate in the tax exchange negotiations. The Auditor's Office provided the financial analysis.

BOARD OF SUPERVISORS

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Financial Considerations

If negotiations are successful, the County will transfer an agreed upon percentage of property tax increment, before the Educational Revenue Augmentation Fund (ERAF) calculation, to the City of Pismo Beach. There will not be a transfer of base property taxes. The attached notice contains information concerning the amount of revenue generated in the annexation area.

Results

To agree to a fair and equitable exchange of property tax revenue as a result of annexation of property.

Attachments

Notice to Commence Negotiations Map of proposed annexation

c - Dave Fleishman, City of Pismo Beach
 Marsha Stillman, Auditor-Controller's Office
 Paul Hood, LAFCO



LOCAL AGENCY FORMATION COMMISSION NOTICE TO COMMENCE NEGOTIATION FOR TRANSFER OF PROPERTY TAX REVENUE

Proposed Jurisdictional Change:

Annexation No. 14 to the City of Pismo Beach

(Los Robles del Mar)

LAFCO File No: 2-R-05

Purpose of proposal: The eventual annexation of these parcels is for residential use.

Negotiating Agencies:

Agenda Date for Start of Negotiations:

City of Pismo Beach

February 28, 2006

County of San Luis Obispo

Subject Property:

Tax Code Area	Parcel Nos.	<u>Valuation</u>
052-003	079-261-011	\$4,030,157
052-003	079-261-012	\$466,874
Total:		\$4,497,031

Estimated property tax revenue generated within subject property: in fiscal year 2005-06.

General Fund	\$12,139
Air Pollution Control	\$293
Special Roads # 1	\$34
County Library	\$909
Port San Luis Harbor	\$650
SLO CO Flood Control	\$130
Nacimiento Water Cons	\$139
Arroyo Grande Cemetery	\$64
Lucia Mar Unified	\$19,974
San Luis Obispo Comm Coll	\$3,508
County School Service	\$2,079
ERAF	\$5,051
Totals:	\$44,970

Negotiation Period: February 28, 2006 - April 25, 2006

Property Tax Exchange effective fiscal year: 2007-2008

Paul L. Hood, Executive Officer

Date: 1 30/0

Note: At close of negotiations, each agency shall immediately transmit to the LAFCO Executive Officer a <u>certified</u> copy of the resolution setting forth the amount of property tax revenue to be transferred. For dependent districts, the Clerk of the Board of Supervisors shall transmit a certified copy of the Board's resolution adopted on behalf of both parties. This will allow LAFCO to commence processing of the jurisdictional change.

